

REMARKS

This is intended as a full and complete response to the Final Office Action dated October 24, 2006, having a shortened statutory period for response set to expire on January 24, 2006. Please reconsider the claims pending in the application for reasons discussed below.

Claims 1-3, 5-10, 14, 16-17, 26, 27, 30, 40-46, 48, 50-55 remain pending in the application and are shown above. Claims 12, 13, 15, 31-39, and 49 have been cancelled. Claims 40-46 and 50-55 are indicated to be allowable, and claims 15, 16 and 49 are objected to. Reconsideration of the claims is requested for reasons presented below.

35 U.S.C. § 102

Claims 1-3, 5, 6, 10, 12, 13, 31-33, 35, and 37 stand rejected under 35 U.S.C. § 102(b) as being anticipated by *Kisman*, U.S. Patent No. 6,039,121.

Kisman discloses an apparatus for production of hydrocarbons. The wellbore is divided into three co-extensive passageways. Production fluid rises up the first conduit 18 where some of the fluid is transformed into steam. (See col. 6, Ins. 1-5.) After exiting port 17 in the first conduit 18, the gas flows up the annulus and the liquid falls down the annulus and collects in a liquid pool. A pump located in the liquid pool pumps the liquid up a second conduit 19. (See col. 6, Ins. 15-19.) The liquid in the liquid pool has a higher density than the formation fluid inside the first conduit at corresponding elevations. (See col. 6, Ins. 59-67.) Thus, the pressure at the bottom inlet 20 of the second conduit 19 is higher than at the corresponding elevation inside the first conduit 12. (See col. 6, Ins. 59-67.)

The Examiner argues “that the cooling zone is defined as a space below the pump and above casing 6. Within this zone, the density of the fluid will be high at the casing 6 contact point and lower at the casing 19 contact point.” However, the Examiner has failed to consider that the pump is positioned in a different conduit from the flashing production fluid. *Kisman* teaches that the pump is positioned in the liquid

pool that is separated (and heat insulated) from the cooling zone in the first conduit, and further, that the two conduits have different densities at the same elevation. Therefore, Kisman teaches that the position of the pump in the second conduit has a higher density than the well fluids in the cooling zone of the first conduit. *Kisman* does not teach, show, or suggest a pump positioned above said cooling zone in that portion of said well fluids having a lower density than a density of said well fluids in the cooling zone, as recited in claim 1.

Claim Rejections Under 35 U.S.C. § 103

Claims 7 – 9, 14, 17, 26, 27, 30, 34, 36, and 38 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over *Kisman* in view of *Stuebinger, et al.* (6,079,491).

As discussed above, Applicant believes every independent claim is in condition for allowance. Therefore, Applicant also believes these dependent are also in condition for allowance. Withdrawal of the rejection is respectfully requested.

Allowable Subject Matter

Claims 40-46 and 50-55 are allowed.

Claims 15, 16, and 49 are objected to as being dependent upon a rejected base claim, but would be allowable if rewritten in independent form including all of the limitations of the base claim and any intervening claims.

Conclusion

The references cited by the Examiner, alone or in combination, do not teach, show, or suggest the invention as claimed.

Having addressed all issues set out in the office action, Applicants respectfully submits that the claims are in condition for allowance and respectfully request that the claims be allowed.

Respectfully submitted,



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